

Official Welcome – Monday 4 March

Hiroshi Hirota

Deputy Director-General of Coal and Mineral Resources Policy,
Ministry of Economy, Trade and Industry (METI), JAPAN

On behalf of the Japanese Government, I would like to express my heartfelt gratitude to everyone attending today, and to all the guest speakers who have come from many economies including APEC members to take part; furthermore to APEC, the EGCFE Secretariat and everyone from the Malaysian Government for their unstinting efforts in holding the Coal Flow Seminar, the Clean Fossil Energy Technical Seminar and the Coal TILF Workshop.

In June of last year, discussions were held in our economy on future energy security, and a report was compiled. In it, coal is appraised as a low-risk resource in terms of security compared to other energies such as oil, by virtue of its distribution throughout the world and the comparative abundance of its reserves. From the standpoint of maintaining international price negotiating strength in respect to fossil energies as well, it was considered to be a valid option in ensuring energy security. Furthermore, in July of last year, the report, "Report on Energy Policy for the Future" from the Advisory Committee for National Resources and Energy, was presented to the Minister of Economy, Trade and Industry, outlining the long-term energy supply and demand outlook until 2010. The report indicates that coal will continue to account for about 19% of primary energy supply in future, and expectations will continue to be placed in it as a major energy source.

Nevertheless, while coal demand within the region is expected to increase about 40% in 2010 compared to 1995, in line with the APEC demand forecast, supply is predicted to remain at around 30%, and given that there is a limit to the supply of high quality coal within the region, the possibility is that coal supply and demand will grow tight in the long-term is recognized, and more than a small security risk exists. For this reason

as well, it is recognized that striving to stabilize coal supply and demand in each economy within the region is an important task.

Furthermore, in order to attempt to liberalize and facilitate coal trade and investment within the APEC region, the following are important: (1) reduction of tariffs and removal of non-trade barriers; (2) promotion of investment in coal-fired power stations; and (3) providing sufficient explanations to regional societies. Countermeasures and strategies are desired in every economy.

In forums such as the Conference of the Parties to the Framework Convention on Climate Change (COP), we must sustain our efforts of reducing emissions of CO₂, NO_x, SO_x and so on involved in coal usage while large scale reductions in greenhouse gases throughout the world are being called for. With its long history of coal usage, we, Japan, recognize that this is a problem that must be tackled aggressively, and we believe that it is a very important task for every economy here today.

For such reasons, by promoting the development of clean coal technologies such as high-efficiency coal combustion technology, and furthermore through the Green Aid Plan, we are actively conducting technology transfer with Asian economies of coal utilization technologies, such as our desulfurization technology and coal preparation technologies.

Copings with increased energy demand and with environmental issues in the Asia-Pacific region like this are tasks that we must not forget. In the 21st century, coal will be as important an energy as ever for Asia, and we believe it is essential to recognize that striving to stabilize coal supply and demand within the APEC region, liberalize coal trade and investment, and spread related technologies will continue to be important themes.

On this occasion, two seminars and one workshop will be held jointly. We believe that these will be extremely valuable opportunities for everyone from the each economy within the APEC region to be able to meet together and exchange information and opinions on each of the issues I have just mentioned. We hope that these seminars and the workshop prove successful, and also hope that international network will continue to grow in the field of coal in future.

Thank you.